

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

October 26, 2010

Harold Roberts Denison Mines (USA), Inc. 1050 17th Street, Suite 950 Denver, Colorado 80265

Subject: Evaluation of Reclamation Surety, Denison Mines, Rim/Columbus Mine, M/037/0006,

San Juan County, Utah

Dear Mr. Roberts:

The Division of Oil, Gas and Mining has evaluated the reclamation surety for the Rim/Columbus mine and has determined that no adjustment in the surety is required at this time. The Division's last reclamation cost estimate for the Rim/Columbus mines was completed in 2005 and escalated to 2010 dollars. The Division will now consider that the surety bond is escalated to September 20, 2015.

It appears the last time the reclamation cost estimate was calculated based on on-site conditions was in 1988. Between now and 2015, the Division intends to do a detailed estimate.

Please call me at 801-538-5261 or Tom Munson at 801-538-5321 if you have questions about this action.

Sincerely,

Paul B. Baker

Mining Program Manager

PBB:pb

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